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News

St. Clair Shores manufacturer looks to win tax break for auto project

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By Mitch Hotts, Macomb Daily Staff Writer

Fisher Dynamics could add 100 jobs

The St. Clair Shores City Council on Monday took steps to create the city's first-ever industrial development district in anticipation of a multimillion-dollar plant rehabilitation for Fisher Dynamics that could bring in up to 100 new jobs.

The council unanimously voted in favor of the move, which would slice the company's personal tax bill by 50 percent for 12 years for Fisher Dynamics' upcoming project to build new seating systems for General Motors this fall.

"All we've heard about for the past year is jobs, jobs, jobs," said Councilman David Rubello. "This is a great opportunity to keep some long-term jobs and business in St. Clair Shores."

Council members approved a resolution to create an industrial development district for property on the Fisher Dynamics' complex near 14 Mile and Harper north of Kyte J. Monroe Park, and to conduct a public hearing on June 7 to hear details of the plan.

According to a letter from Alfred Fisher IV, the company's vice president, Fisher Dynamics will invest \$8.8 million over the next two years to rehabilitate an existing non-operational warehouse and equip it with new machinery.

Fisher Dynamics builds seating systems and mechanisms for the automotive industry. It designs and manufactures seating recliners, latches and system mechanisms for passenger vehicles for tier one customers in North America, Europe and Asia. The company has operations in Michigan, Texas, Mexico, Germany, Japan, China and India.

James Ahee, senior economic development specialist for the Macomb County Economic Development Services Group, said Fisher Dynamics had the option to build the seating systems in St. Clair Shores, Tennessee or Mexico and decided to stay local.

"The city will still get the same revenue it is receiving now," Ahee said. "There is no tax break on the current tax bill. The industrial district will give the company a break on taxes for its investment for the new equipment."

General Motors is expected to announce whether Fisher Dynamics receives the bid to build the seating systems by mid-June. If the company gets the green light, it plans to begin manufacturing the new equipment in the fall.

Fisher Dynamics expects to hire between 80 and 100 new workers in addition to its existing 400-employee work force. The new jobs would pay between \$14 and \$17 an hour with full benefits, officials said.

Why St. Clair Shores has never had an industrial tax incentive in the past to lure new business is not known; many municipalities in Michigan have used the tax breaks as a tool to lure economic development.

City Manager Ben Hughes said 94 percent of the bedroom community's tax base is residential with only 6 percent paid by commercial and industrial companies.

Fisher Dynamic is the third-largest taxpayer in St. Clair Shores, behind Detroit Edison and 400 Monroe Associates, according to city documents.

"Manufacturing is the core of any economy," Ahee said. "It is the essence of the economy."

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